Uttarakhand	Sl. No.	Himachal Pradesh
Mohebewalla, Dehradun	56.	Gondhla
New Tehri Town	57.	Chatrokhari
Kanwali Road, Dehradun	58.	Damtal
Bhiri	59.	Mehatpur
	60.	Gemur
	61.	Hansa
	62.	Kungash
	63.	Lippa
	64.	Chango
	65.	Giabong

Central Sales Tax for cotton

220. SHRI C. PERUMAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government have received any representation requesting removal of three per cent Central Sales Tax for Cotton on *inter-State* sale;

(b) if so, whether Government have conceded such request of removal of Central Sales Tax for inter-State sale since the transport cost for those cotton is high comparing to overseas transportation;

(c) if so, the details thereof; and

(d) if not, the reason therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir.

(b) to (d) A consensus has been arrived at between the Government of India and the States to phase out Central Sales Tax (CST) on inter-State sale of goods by 01.04.2000. As a first step, CST rate has been reduced from 4% to 3% with effect from 01.04.2007. Further, it is stated that Section 8(5) of the Central Sales Tax Act, 1956 empowers the respective State Government, if it is satisfied that it is necessary so to do in the public interest, to lower the tax rate or exempt the tax-for sale in course of inter-State trade or commerce for any goods or class of goods from any particular place of business; or all sales of goods or classes of goods by any dealer or by any class of dealers, to any person or class of persons-as may be notified by it.

Checks on inflow of capital

221. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have proposed more checks on inflow of capital;

(b) if so, the details thereof and reasons therefor; and

(c) whether Indian economy has reached a stage where the capital needs of the country can be met from the local sources?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) There is no proposal for more checks on inflow of capital for the present.

(b) Does not arise.

(c) The rate of investment of the Indian economy, as a proportion of GDP, was placed at 33.8% in 2005-06. The level of external financing of such investment, mirrored by the current account deficit, was placed at 1.1% of GDP. Investment rate has been provisionally estimated